

- General situation on the German laundry market

The market leader in Germany is Henkel with about 45,6%, followed by Procter & Gamble with 26,7% and Aldi 8%. Procter & Gamble is a big company with its most famous product Ariel and Henkel with Persil. Normally, Persil is the leader in Germany, but Procter & Gamble and their product Ariel generate more and more growth. However Henkel is reducing the amount of spent money and gives notice to many workers, because of their austerity policy. „Im ersten Quartal des laufenden Jahres rückte die Top-Marke von Procter & Gamble mit 68 Millionen Euro dem Marktführer Persil (72 Millionen Euro) bedrohlich auf die Pelle »¹. Persil is the most famous washing detergent in German. Even today the brand (Persil) is in a very good position on the German washing detergent market. Around 29% of the participants in different surveys answered, that they at least used persil once in the past tree months. Other very succesfull and economical important brands are Ariel and Spee. Henkel, producer of the washing detergent Persil, generated the most net sales in the German washing detergent market, with about 600 mio. euros in 2009. The second most successfull producer is Procter & Gamble with net salues around 480 mio. Euros. The supermarkets are a every increasing competitor for already existing companies, as they are able to sale washing detergents from different companies or their own companies in the low budget segment.

- The mission of the company and the problematic

The mission of the project is to create a protease which could be stabilized and controlled with the help of light. For this mechanism the iGEM Team Aachen uses a light sensitive amino acid in the process of photocaging. First of all this amino acids prevents the protease from folding in the right way and therefore inhibits its activity. When light is shined on the unnatural amino acid, the protection group is cleaved off and the normal, natural amino acid is revealed. So it should fold in the right way and be active like before. This mechanism should be applied on the washing process who want to replace boric acid, other producers of enzymes and companies interested in photocaging. Boric acid is a substance of very high concern and in suspect to cause reproduction toxicity, according to ECHA. Until now no alternative to boric acid is visible, that's why their product could be very interesting for different companies. Many companies showed interest in their idea and the iGEM Team Aachen is already in contact with the washing industry.

- External analyse of the market of liquid laundry in Germany

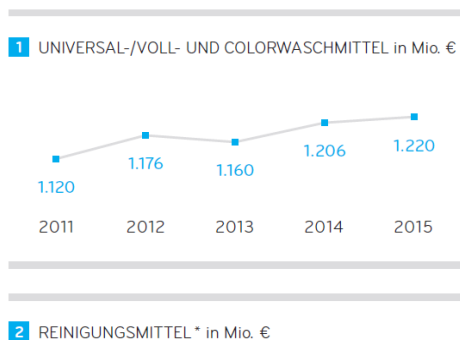
The laundry market in Germany offers many chances, but also some risks for new companies or products. The industrial association of "Körperpflege- und Waschmittel e. V. (IKW)" represents, companies, which sell or produce products for household cleaning and of beauty cultures.

¹ Wirtschaftswoche : Henkel und Procter kämpfen um Marktanteile, 16. Juli 2010
<http://www.wiwo.de/unternehmen/waschmittel-henkel-und-procter-kaempfen-um-marktanteile-/5661816.html>



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When we look at this numbers, we can see that the washing detergents are the biggest part of the home care segment. Washing detergents offer a very high value for many companies and even if some big companies are not included in this data, this data shows, that washing detergents are a very big market. So this offers a high financial interest for many different companies. If we look at other data we can see the different places where home care detergents, like washing detergents, are sold. We can notice that these products are sold in bigger markets, but also in drug store and in supermarkets. Especially the influence and the importance of the supermarkets grow every year, so that they will probably play a more important role in the future of the laundry market in Germany. Most of the times these supermarkets offer some of the well know washing detergents from the big companies, their own washing detergents or they offer other and more cheaper washing detergents. Many times these products can be found in the low budget segment. That's why these markets can be seen as a competitor for already existing and famous brands. But these big companies still have a huge influence on the German market.



1. UNIVERSAL-/ VOLL- UND COLORWASCHMITTEL

Die Universal-/Voll- und Colorwaschmittel sind mit einem Volumen von 1,2 Milliarden Euro und über 27 Prozent Anteil der mit Abstand wichtigste Teilmarkt in diesem Segment. Gleichzeitig lieferte diese Kategorie mit einem Plus von 1,2 Prozent und 15 Millionen Euro einen wichtigen Erfolgsbeitrag zur positiven Umsatzentwicklung in der Haus-haltspflege.

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This data shows that even in Germany, a country where washing detergents have a long tradition, the market grows almost every year and is still not saturated. This could be a chance for new applications, new products and new companies. Already existing companies could look for alternatives to generate more growth and to be in advantage to already existing competitors. The washing detergent market is a very interesting market if you look at the financial perspective. Moreover it offers much stability compared to other products and markets.

- Opportunities and threats of the competition between brands

There is a huge conflict between the two leading companies in Germany . Procter and Gamble tries to get more market ratios in Germany with their brand Ariel and Henkel tries to get more market

² Data of the IKW for home care detergents : <http://www.ikw.org/ikw/hauptanliegen-des-ikw/fakten-zahlen/marktzahlen/#household>

³ 3Data of the IKW for home care detergents : <http://www.ikw.org/ikw/hauptanliegen-des-ikw/fakten-zahlen/marktzahlen/#household>

value in the United States with their brand Persil. The conflict in Germany is mainly between these two companies, because the other companies focus on the low budget segment. But there is also another competition in Germany. The low budget products generate more and more growth every year and they start to improve their quality year by year. A shortly published report shows the test results of many different washing detergents in Germany. You see that not only the high price products are the best, but also some of the low budget segment. This could also be an upcoming conflict, because the other companies notice the threats from low budget companies and at the same time they have to pay attention to companies in the high budget segment. On one hand they need to focus on their quality and their tradition to fight against other big companies and on the other hand they need to reduce the costs of their production without losing too much quality. Every year more people buy their washing detergents in discounters. That could be a danger for Ariel & Persil and their companies. The boss from Henkel said that this is the main challenge his and other companies need to consider.

- Opportunities and threats of the environment

Some experts from the washing industry told the iGEM Team Aachen, that boric acid should be forbidden in the EU because of animal studies and potential harmful aspect to humans. This is connected to statements from different experts and the ECHA, who classify boric acid as a substance of very high concerns. The product of the iGEM Team Aachen is not under observation until now, so that could be an advantage for many different companies. The environmental aspects are in Germany especially important since 1960. In this time the environmental impacts of washing detergents became famous for the first time, because in this time the industry used the hard degradable substance TPS (Tetrapropylenbenzolsulfonat). This substance was classified as a danger for water sources. The washing industry rejected to use this substance. The same could happen in the example of boric acid. As many Germans prefer environmental friendly products and the legal situation of boric acid is still unclear, this could be a chance for the product of the iGEM Team Aachen. Also all the big companies for washing detergents pay attention to the environmental aspect and explain in different statements that the environmental and climate topic is a very important part of their company strategy. But for this, the iGEM Team Aachen has to prove that their unnatural amino acids and the cleavage products do not have high environmental impacts.

- Focus on Corporate and Social Responsibility

The companies recognized that the environment is a very important factor for many people in the EU, so they also want to present their products in that way. Many companies want to differ from other companies. That's why you can find many different ways of advertisement in Germany (funny spots, spots with famous personalities, classical way to promote product). Many companies like to present themselves and their products with the help of modern and attractive homepages. In contrast to their advertisement a few years ago, they do not only present contact information and different products, but also different possibilities for entertainment and some environmental and social aspects of their products. Moreover they want to stay in contact with their customers, that's why they use different social media accounts and offer blogs. Normally in Germany you only notice the advertisement from the big companies (Persil & Ariel). The other brands and companies do not advertise so much. This has much to do with the strategy of these companies. These companies do not want to present themselves with the help of advertisement, they want to offer their product in the low budget segment. There are two different strategies for the advertisement in Germany. On one hand the most famous companies present themselves with the help of advertisement and a huge internet presence. On the other hand other companies do not present their products in the advertisement. So they save money for offering their products.

Analysis of the Laundry Market

	Strengths	Weaknesses
Ariel	<ol style="list-style-type: none"> 1) Innovations are frequent since its creation 2) Presents on every format of laundry care (liquid, pod...) 	Its price is high according to the consumers
Skip		
Le Chat	<ol style="list-style-type: none"> 1) The leader in Germany 2) European eco label since 2013 3) Innovation with revolution of the measuring cap 	Competition with other brands of the same group (Mir)

Strengths and weaknesses of the marketing strategy

	Strengths	Weaknesses
Ariel	Based on the tradition, on the high quality of the product Innovations	Doesn't point the ecology aspect of the products Format sometimes too big
Skip	Efficiency of the product High concentrate laundry	Not enough sustainable development
Le Chat	Based on the respect of the ecology Ecologic labels Innovation with the measuring cap	Only the ecological argument

Comparison of the politic of product of Le Chat

	Strengths	Weaknesses
Ariel		Too many products
Skip	Efficiency is well recognized	A lot of products which are separate between high concentrate products and not, which can disorient the consumer
Le Chat	Ecologic Aspect, efficiency even with a low temperature	Tight range of products

Different types of consumers:

The consumer who consider in particularly the smell: the smell is the first criteria when he chooses a laundry. He can change when he thinks a smell is better

The consumer who is open to change his laundry: the laundry wasn't choose, and it's the result of a habit. (example: when you use the same laundry as your mother)

The suggestible: he chooses his laundry because of the influence of his relations.

The demander: he is very demanding with the quality and the efficiency of the product.

The loyal to Le Chat: the people who are devoted to Le Chat

The loyal to an other brand: the people who are devoted to an other brand



Translate in the map "Quality" and "Ecology"

Target, positioning and sources of market of Le Chat and its principal competitors

	Actual target	Actual Positioning	Actual sources of market
Ariel	People older than 20	Excellence, quality, authenticity	
Skip	People older than 20	Efficiency	
Le Chat	People older than 20	Ecology	Because it's the leader, Le Chat is trying to get loyal its consumers

Action plan for the new product

- Marketing strategy for the new product : target, positioning and sources of market

	Target	Positioning	Sources of market
Photocaged protease	1) The target for this product can be enzyme producers like Novozymes or Roche. 2) Moreover the target could already be the industry that uses the protease → washing company (women older than 20 years old) 3) Sell the idea and the way we reached it to other purposes 4) People interested in a more ecological and other way to control enzyme activity	The product is positioned on the global market in competition with already existing methods, companies which sell boric acid and companies which are very confident with the use of boric acid. But it is also positioned on the market where a future ban of boric acid is possible	

- Politic of the new product

The iGEM team Aachen wants to produce the photocaged Subtilisin E and the organisms which can produce the new enzymes. So they are in direct competition to companies like Novozymes or Roche, who offer enzymes for different applications. Until now they only produce in a very small scale. Maybe they can work together with other enzyme producing companies or directly with washing

companies. As members explained, they are already in contact with the industry (which might help to spread their product, use their marketing, their experience, their know how). But in this context nothing is fixed and only a few conversations have been organized. So that might be a point that helps them to integrate their product on the real market, because they could use the resources of an other washing company. Also, other applications can be possible for their enzymes, not only the washing industry. The idea can be transferred to other enzymes and to make them also controllable with the help of light. Without the support of the industry and their experiences on the global market I do not see any industrial chance for the iGEM Team Aachen and their protease, because they possess the know how and the experience to introduce a new product on the German laundry market.

- Politic of prices of "*****"

The prices of enzymes are very different and clearly depend on the amount you produce. The iGEM Aachen can not estimate the cost of the protease until now because they depend on the preparation of the enzymes, the amount you can produce and the media you use. Moreover the iGEM Team Aachen until now only produces their protease in the lab and therefore they do not have any experiences with the cost they have to confront when they try to introduce their product on the enzyme or washing detergent market. A huge problem for me is that in some parts of their project the industrial use of properties from other scientists could be a problem for introducing a new product on the market.

- Politic of distribution of the new product

The distribution of the new product depends on the way the iGEM Team Aachen wants to introduce the new product on the market. On one hand they can try to industrialize it with the help of already existing enzyme companies. On the other hand their product could be applied in the washing industry and used for washing detergents. That's the most probable application of their protease. With the help of these already existing companies it is possible to distribute their product. For example it could be sold in local supermarkets and drugstores. Probably it won't be sold in low budget supermarkets, because of the production and developmental costs. Moreover, the iGEM Team Aachen has to care about the distribution of their light tool. Maybe they can include it as a free give-away to the first bottle of washing detergent and start in this way promoting the use of its product.

- Politic of communication of the new product

The new product of the iGEM Team Aachen should be communicated as an alternative to already existing washing detergents and there should be a focus on the ecological impacts of boric acid. The product of the iGEM Team Aachen should ban boric acid and make it possible to use the washing detergents with the same quality as before. Instead of boric acid they want to communicate the use of light to activate the protease. As the iGEM Team wants people to activate the protease with light, they also have to communicate this difference-. That's where I see the biggest problem for the iGEM Team Aachen. They have to convince the people that they should not only invest more time in the washing process, but also to change their customs when it comes to clean their clothes. Moreover they would need to convince big companies. Although the iGEM Team invented a gadget for activating the protease and in a survey the team performed the majority of the people said that they would spend more time for activating the protease, this idea has to be transferred in the daily life of the customers. For that reason this device has to be as user friendly as possible, the application should only differ in a very small way from today's application and the price should be in the same

range like before. If they take care of these purposes and still maintain the ecological part, the products can have a chance on the global market